



House of Representatives

General Assembly

File No. 262

February Session, 2002

Substitute House Bill No. 5456

House of Representatives, April 2, 2002

The Committee on Environment reported through REP. STRATTON of the 17th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING THE IDENTIFICATION OF OFF-SITE CONDITIONS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2002*) (a) As used in this
2 section:

3 (1) "Residential real property" or "residence" means a building or
4 structure containing up to four separate dwellings or accommodations.

5 (2) "Off-site conditions" means those conditions on: (A) The sites
6 included on the National Priorities List pursuant to the
7 Comprehensive Environmental Response, Compensation, and Liability
8 Act of 1980, (42 USC 9601, et seq.) as amended from time to time; and
9 (B) the latest hazardous waste disposal sites known to and confirmed
10 by the Commissioner of Environmental Protection and included on the
11 hazardous waste disposal site inventory prepared pursuant to section
12 22a-133c of the general statutes.

13 (3) "Person" means an individual, firm, corporation, limited liability
14 corporation, partnership, association, trust or other legal entity or any
15 combination thereof.

16 (4) "Property" means a lot or plat upon which a residence has been,
17 or may be, constructed.

18 (5) "Purchaser" means a buyer of residential real property.

19 (6) "Seller" means a real estate broker, as defined in section 20-311 of
20 the general statutes, a real estate salesperson, as defined in section 20-
21 311 of the general statutes, or a new home construction contractor, as
22 defined in section 20-417a of the general statutes, as amended, who is
23 engaged in the sale of residential real property.

24 (b) (1) The Commissioner of Environmental Protection shall make
25 available lists of the locations by address of all properties containing
26 off-site conditions described in subparagraphs (A) and (B) of
27 subdivision (2) of subsection (a) of this section indexed or grouped by
28 the municipality in which the off-site condition is located.

29 (2) The Commissioner of Environmental Protection shall initially
30 submit the lists by January 1, 2003, and shall update the lists, as
31 necessary, by January first of each year thereafter. The commissioner
32 shall include with the list a statement that reads "This list identifies off-
33 site conditions, defined as conditions on the sites included on the
34 National Priorities List pursuant to the Comprehensive Environmental
35 Response, Compensation, and Liability Act of 1980, (42 USC 9601, et
36 seq.) as amended from time to time, and on the latest hazardous waste
37 disposal sites known to and confirmed by the Commissioner of
38 Environmental Protection and included on the hazardous waste
39 disposal site inventory prepared pursuant to section 22a-133c of the
40 general statutes, that as of January first of this year have been
41 identified and listed by the Department of Environmental Protection as
42 existing within the state of Connecticut."

43 (c) Notwithstanding any other provision of the general statutes, the

44 lists made available by the Commissioner of Environmental Protection
45 pursuant to this section shall be public records and shall be accessible
46 to the public.

47 (d) At any time prior to, but not later than, the time of entering into
48 a contract for the sale of residential real property, the seller shall
49 provide the purchaser with written notice of the availability of the lists
50 prepared pursuant to subsection (b) of this section.

51 (e) If the seller provides written notice to the purchaser in
52 accordance with subsection (d) of this section, any responsibility of the
53 seller to disclose properties containing such off-site conditions shall be
54 met fully.

This act shall take effect as follows:	
Section 1	October 1, 2002

PD	<i>Joint Favorable Subst. C/R</i>	ENV
ENV	<i>Joint Favorable</i>	

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Fund-Type	Agency Affected	FY 03 \$	FY 04 \$
EQ/GF - Cost	Department of Environmental Protection	Significant	Significant

GF - General Fund EQ - Environmental Quality Fund

Municipal Impact: None

Explanation

Requiring the Commissioner of the Department of Environmental Protection (DEP) to submit a list by Jan 1, 2003, identifying the location of off-site conditions that include sites in the National Priorities List pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 and the latest hazardous waste sites 'known to and confirmed' by DEP and included on an inventory list will require \$75,000 - \$150,000 in FY 03 for two additional employees and associated expenses. Ongoing costs of approximately \$50,000 for ½ an FTE and associated expenses to keep the list current of 'known and confirmed sites' will be necessary.

Requiring that real estate licensees and others that offer residential real estate for sale, provide purchasers of residential real estate in Connecticut with written notice of the availability of the list is anticipated to significantly increase costs to the DEP. Assuming that one potential buyer for 50% of the approximately 50,000 residential real estate transactions per year contacts the DEP to inquire about a property on the list or about property near a property they might be buying, the DEP would spend ½ to 1 hour of staff time on each transaction. This legislation could require 12,500 - 25,000 hours or

more of staff time per year. This would result in the need to hire potentially 7 - 13 additional FTE's at a cost of over .5 million dollars per year. The exact cost would be contingent on the number of inquiries, which is indeterminate at this time.

OLR Bill Analysis*sHB 5456***AN ACT CONCERNING THE IDENTIFICATION OF OFF-SITE CONDITIONS****SUMMARY:**

The bill requires the commissioner of environmental protection to make available a list that identifies the location of the following off-site conditions: (1) sites included on the National Priorities List pursuant to the 1980 Comprehensive Environmental Response, Compensation, and Liability Act and (2) the latest hazardous waste sites known to and confirmed by the commissioner and included on the hazardous waste disposal site inventory.

The bill requires real estate licensees and others that offer residential real estate for sale, including lots or plats (a scaled diagram showing boundaries and subdivisions of a piece of land) on which a residence has been or may be constructed, to provide buyers with written notice of the availability of the list.

EFFECTIVE DATE: October 1, 2002

SELLER'S OBLIGATION

The bill requires real estate brokers, real estate salesmen, and new home construction contractors engaged in selling residential real estate to provide buyers with written notice of the availability of the list of off-site conditions by the time the parties (seller and buyer) enter into a contract for the sale. Residential real estate consists of any building or structure containing up to four separate dwellings.

Under the bill, licensees that comply with the notice requirement have met any responsibility to inform the buyer of residential real estate containing off-site conditions.

PREPARATION OF LIST

The bill requires the commissioner to submit an initial list by January

1, 2003, and to update it each January 1 thereafter. The list must (1) indicate the location by address of all off-site condition properties, (2) be indexed or grouped by the municipality in which the off-site condition is located, and (3) include the following statement:

"This list identifies off-site conditions, defined as conditions on the sites included on the National Priorities List pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, (42 USC 9601, et.seq.) as amended from time to time, and confirmed by the Commissioner of Environmental Protection and included on the hazardous waste disposal site inventory prepared pursuant to section 22a-133c of the general statute, that as of January first of this year have been identified and listed by the Department of Environmental Protection as existing within the state of Connecticut."

Finally, the bill specifies that the list is a public record.

COMMITTEE ACTION

Insurance and Real Estate Committee

Change of Reference
Voice Vote

Planning and Development Committee

Joint Favorable Substitute Change of Reference
Yea 17 Nay 0

Environment Committee

Joint Favorable Report
Yea 28 Nay 0